

PCA- Process Home Health Agency (HHA) Cost Report and Perform Cost Settlement

Purpose: Review the cost report using desk review procedures to determine if reported costs are allowable and reasonable and calculate amount of tentative and final settlement for Home Health Agencies. Center for Medicare and Medicaid Services (CMS) 2552-96, Hospital and Healthcare Complex Cost Report or CMS 1728-94 Home Health Cost Report are due 150 days after the provider's fiscal year end.

Identification of Roles:

1. Accounting Assistant – reviews the cost report to determine if all the necessary information was completed and received. Imports/data enters cost report. Also reviews the reported items to make sure it foots and ties out to supporting documentation.
2. Staff Accountant – performs desk review procedures to determine reasonable and allowable costs and calculates tentative and final settlement.
3. Senior Accountant – may perform desk review procedures and perform reviews.
4. Supervisor – perform review.
5. Manager – may perform review.

Performance Standards:

Settle cost reports for all institutional providers within three months after receipt of the final Title XVIII Medicare cost report.

Path of Business Procedure:

- Step 1: Generate IAMM3500-R008 and IAMM3500-R009 reports in Medicaid Management Information System (MMIS).
- Step 2: Retrieve IAMM3500-R008 and IAMM3500-R009 reports saved in OnBase.
- Step 3: Mail blank Medicaid Cost Report and IAMM3500-R008 and IAMM3500-R009 reports to provider.
- Step 4: HHA providers submit cost reports. Mailroom receives Cost Report and scans into On-Base. If electronic version, then disk is sent to Provider Cost Audit.
- Step 5: Postmark date of Cost Report is scanned into On-Base.
- Step 6: Receive notification from On-Base that cost report is ready for processing.
- Step 7: Receive hard copy or electronic version of Cost Report from mailroom.

- Step 8: Perform preliminary review.
- Step 9: Log receipt of Cost Report in status log in Access.
- Step 10: Send letter to provider to acknowledge receipt of Cost Report.
- Step 11: Cost Report information is data entered/imported into the system.
- Step 12: Review Cost Report for mathematical accuracy and completeness and note exceptions.
- Step 13: Log support staff review complete date in status log in Access.
- Step 14: Generate IAMM3500-R008 and IAMM3500-R009 reports in MMIS.
- Step 15: Retrieve IAMM3500-R008 and IAMM3500-R009 reports saved in OnBase.
- Step 16: Perform tentative cost settlement.
- Step 17: Calculate tentative settlement.
- Step 18: Prepare Interim Rate Calculation Worksheet
- Step 19: Log accountant review complete date in status log in Access.
- Step 20: Perform final review.
- Step 21: Log final review complete date in status log in Access.
- Step 22: Send tentative settlement report to provider including notice of any over/underpayment and/or changes in interim rate.
- Step 23: If overpayment, set up invoice in accounts receivable system. See Operational Procedure "PCA- Overpayment and Collections" detailing overpayment and collection procedures.
- Step 24: If necessary, work with provider to set up payment plan based on "repayment" policy. See Operational Procedure "PCA- Overpayment and Collections" detailing overpayment and collection procedures.
- Step 25: If underpayment, complete Gross Adjustment Request Form and send to Core. This will be an E-form on OnBase and transferred to Core's appropriate queue for processing.
- Step 26: Update interim rate and effective date in MMIS.
- Step 27: Log tentative settlement complete date status log in Access.
- Step 28: Receive finalized Medicare Cost Report from Medicare Fiscal Intermediary.
- Step 29: Log receipt of finalized Medicare Cost Report in status log in Access.
- Step 30: Generate IAMM3500-R008 and IAMM3500-R009 reports in MMIS.
- Step 31: Retrieve IAMM3500-R008 and IAMM3500-R009 reports in COLD format saved in OnBase.
- Step 32: Review Medicare Audit Report.
- Step 33: Prepare final cost settlement incorporating the Average Cost Per Visit from the finalized Medicare Cost Report.
- Step 34: Log accountant complete date in status log in Access.
- Step 35: Perform final review.
- Step 36: Log final review complete date in status log in Access.
- Step 37: Send final settlement report to provider including notice of any over/underpayment.
- Step 38: If overpayment, set up invoice in accounts receivable system. See Operational Procedure "PCA- Overpayment and Collections" detailing overpayment and collection procedures.

Step 39: If necessary, work with provider to set up payment plan based on “repayment” policy. See Operational Procedure “PCA- Overpayment and Collections” detailing overpayment and collection procedures.

Step 40: If underpayment, complete Gross Adjustment Request Form and send to Core. This will be an E-form on OnBase and transferred to Core’s appropriate queue for processing.

Step 41: Log final settlement complete date in status log in Access.

Forms/Reports:

1. CMS Form 1728-94
2. CMS Form 2552-96, Hospital and Healthcare Complex Cost Report.
3. IAMM3500-R008 and IAMM3500-R009 reports
4. Cost Settlement Program.
5. Finalized Cost Report from Medicare.
6. Tentative Settlement Report.
7. Final Settlement Report.
8. Gross Adjustment Request Form

RFP References:

6.7.1.1b

Interfaces:

OnBase
IME Core Unit
MMIS

Attachments:

N/A